

Singapore's workers should embrace broader definition of what counts as a good job Lawrence Wong

They should also recognise skills instead of overly focusing on paper qualifications, says the Deputy Prime Minister.

Ang Hwee Min

CNA, 16 January 2023

SINGAPORE: Workers in Singapore should embrace a broader definition of what counts as a good job, and recognise skills and competencies instead of "overly" focusing on paper qualifications, said Deputy Prime Minister Lawrence Wong on Monday (Jan 16).

Speaking at the National University of Singapore's (NUS) Institute of Policy Studies (IPS) Singapore Perspectives Conference, he added that all industries should relook their skills ladders and invest in ways to attract, retain and reward workers.

"This is not just about reshaping the labour market," said Mr Wong, who is also finance minister.

"It's also about shifting our perceptions towards work ... Employers can do more to hire, train and recognise all workers, instead of holding them back unfairly based on their starting qualifications."

And consumers must be willing to pay more for certain goods and services to "uplift" the wages of those who provide them, he said.

"Basically we cannot demand for services delivered by our fellow citizens to be priced cheaply and in the same breath lament that their wages are too low. It's completely inconsistent," said Mr Wong.

"I know this is not an easy conversation to have at a time when people are also concerned about rising prices and cost of living issues."

The minister acknowledged there would "always" be temptation to compare with others, and to see who's better.

"Some of this comparison can help drive healthy competition and a desire to learn and improve," he continued.

"But sometimes the comparisons are motivated by the wrong reasons and shaped by the desire to acquire status and social privilege."

For example, parents still prefer certain top schools, and workers still prefer "branded" jobs that supposedly "confer a higher status in life" or within an industry, Mr Wong noted.

"At the end of the day, everyone is different, we are each blessed with unique gifts and talents. There's no need to compare with others."

THE CHALLENGES OF WORK

In his speech, Mr Wong also highlighted three challenges facing Singapore - the future of work, the security of work and the rewards of work.

The nature of jobs will change, he stressed. "Those with the right skills will be able to seize the opportunities and enjoy tremendous rewards.

"While those who are unable to adjust and adapt will certainly face more challenges," Mr Wong said, noting that this would create anxiety especially among older, mid-career workers.

He pointed to Singapore's Central Provident Fund (CPF), which provides for retirement based on self-reliance and work, funded by contributions from workers and employers.

"We have avoided the pitfalls of defined benefit pension systems in many other places, where falling birth rates and rising longevity have made it harder for governments to support their citizens' retirement needs in a financially sustainable manner," Mr Wong said, adding that the CPF system has also evolved over the years.

"But with more disruptions and volatility expected in our economy and our lives, Singaporeans will find it harder to consistently build up their CPF savings.

"So here again we must consider what we can do together to help Singaporeans better meet their retirement needs."

He said: "Ultimately, we want to be able to assure all Singaporeans, as long as you work and contribute consistently to your CPF, you will be able to meet your basic retirement needs.

"And for those who do not have the ability to work, or the runway to work and save through CPF, we will find ways to take care of you."

Singapore should also consider how to make work rewards more fair and equitable, said Mr Wong.

So far, the country has been able to sustain income growth across different segments of the workforce, and income inequality has come down over the last decade, he added.

"But again we can do better in several areas," said Mr Wong.

For example, the median starting salary for university graduates is now about twice that of graduates from the Institutes of Technological Education (ITE), and 1.5 times that of polytechnic graduates.

Noting that the starting salaries and career progression for ITE and polytechnic graduates need to be addressed, he said: "While some difference is understandable, too wide a gap can lead to problematic outcomes.

"For example, some may choose not to enter vocations they have been trained for, or may feel pressured to pursue a degree, just to get the credentials, even if it is not aligned with their strengths or interests," said Mr Wong.

"It also becomes harder to match the right persons with the right skills to the right jobs. And all this compounds the sense of a continuous rat race and paper chase, adding to the worries and anxieties of Singaporeans."

To overcome these challenges, Singapore needs to redouble investment in skills and human capital, said the minister.

"These days, most workers now will have multiple careers in their lifetimes, even in the rare case of somebody working in the same company throughout their lives, the work they do will likely evolve over time," he observed.

This means workers must be able to access skills training to update themselves and stay relevant, said Mr Wong.

Singapore must also invest in quality jobs and make every profession viable, he stressed.

He gave the example of how, a few years ago, several ITE students who trained as lift technicians were not entering the industry after graduating - because of low starting salaries.

Since then, a progressive wage model for lift technicians has been put in place, and starting salaries are now 40 per cent higher in 2022 compared to 2016, said Mr Wong.

He said the Government would continue to expand the progressive wage model to cover more areas with lower-wage jobs.

"Besides the progressive wage model ... we must look at the next tier of jobs, which includes many associate professionals and technicians," said Mr Wong.

He cautioned that leaving the workforce's challenges unaddressed could "adversely" impact Singapore's social compact.

"We've seen this happen in many other places where workers find themselves left behind or they feel the system is unfair, and then resentment sets in and social cohesion starts to fray."